

Members of the Committee,

I wanted to share with you something that I wrote up for publication as a letter to the editor, because I can't think of better testimony to share with you all.

The difference in median annual earnings for those with a bachelor's degree and those with a high school diploma is \$21,528, according to the US Bureau of Labor Statistics. People with a degree earn over \$55k per year compared to those without who earn less than \$34k.

In Connecticut, tax revenue to the state for those earning \$55k per year is between 5 and 5.5% of taxable income. Based on info on the CT Board of Regents website, Central, Eastern, Southern and Western Connecticut State Universities graduate 7,475 students this year. If everyone is counted in the lower of the tax brackets, and with 90% of our graduates staying in-state, each graduating class generates more than \$18.6 million in state revenue based on income taxes alone, per year.

With just a high school diploma, those same 7,475 students will contribute only \$11.4 million, a difference of \$7.2 million dollars per year. Assuming completion numbers stay the same, the difference has exponential effects every year that are easy to calculate.

By the time CSU grads entering the workforce next year retire (if retired at age 65, having entered the workforce at 25) there will be a difference of \$5.9 billion more that CSU grads will have contributed – in just that year – to the state of CT.

To reiterate, CT receives \$5.9 billion in added revenue from CSU graduates. This isn't even counting our community colleges, which also provide a vital benefit to the state.

However, the total state contribution for the entire ConnSCU system is less than 457 million next year. That's a return on investment of 1072% of the contribution, or 10.7 to 1.

Part of the reason why higher education is worth the investment is because of the large return on that investment. If it weren't for the revenue generated, it wouldn't be worth the state appropriation. However, the state could still receive the benefit of a 10 to 1 return on investment if the appropriation to higher education were increased to \$590 million.

The extra \$133 million would allow for the state colleges and universities to continue to operate at their current level without any increases in tuition or decreases in operating budgets. With about 96,000 students, the investment could save each student over \$1,385. So I ask members of our legislature and our Governor, why do students living on-campus have to pay upwards of \$800 more next year?

It's time that students take a moral stand on this issue. The numbers work, so why are we paying companies tens of millions each to bring in 200 jobs at a time? We have an excellent system here capable of growing with the right investments. The Governor's budget needs to lose the fluff and invest in the basics that guarantee a stronger workforce, with more skilled labor, and a stronger economic future for Connecticut.

Thank you for your time. I'd be happy to answer any of your questions.

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